

THIRTY-THIRD ANNUAL REPORT

OF THE

BOARD OF DIRECTORS

OF THE

Lehigh Valley Railroad Company

TO THE

STOCKHOLDERS.

JANUARY 17TH, 1888.

PHILADELPHIA:

ALLEN, LANE & SCOTT'S PRINTING HOUSE,
Nos. 229, 231, and 233 South Fifth Street.

1888.

OFFICERS
OF THE
Lehigh Valley Railroad Company.

JANUARY 17TH, 1888.

PRESIDENT,
ELISHA P. WILBUR.

VICE-PRESIDENT,
CHARLES HARTSHORNE.

SECOND VICE-PRESIDENT,
ROBERT H. SAYRE.

THIRD VICE-PRESIDENT,
JOHN B. GARRETT.

TREASURER,
WM. C. ALDERSON.

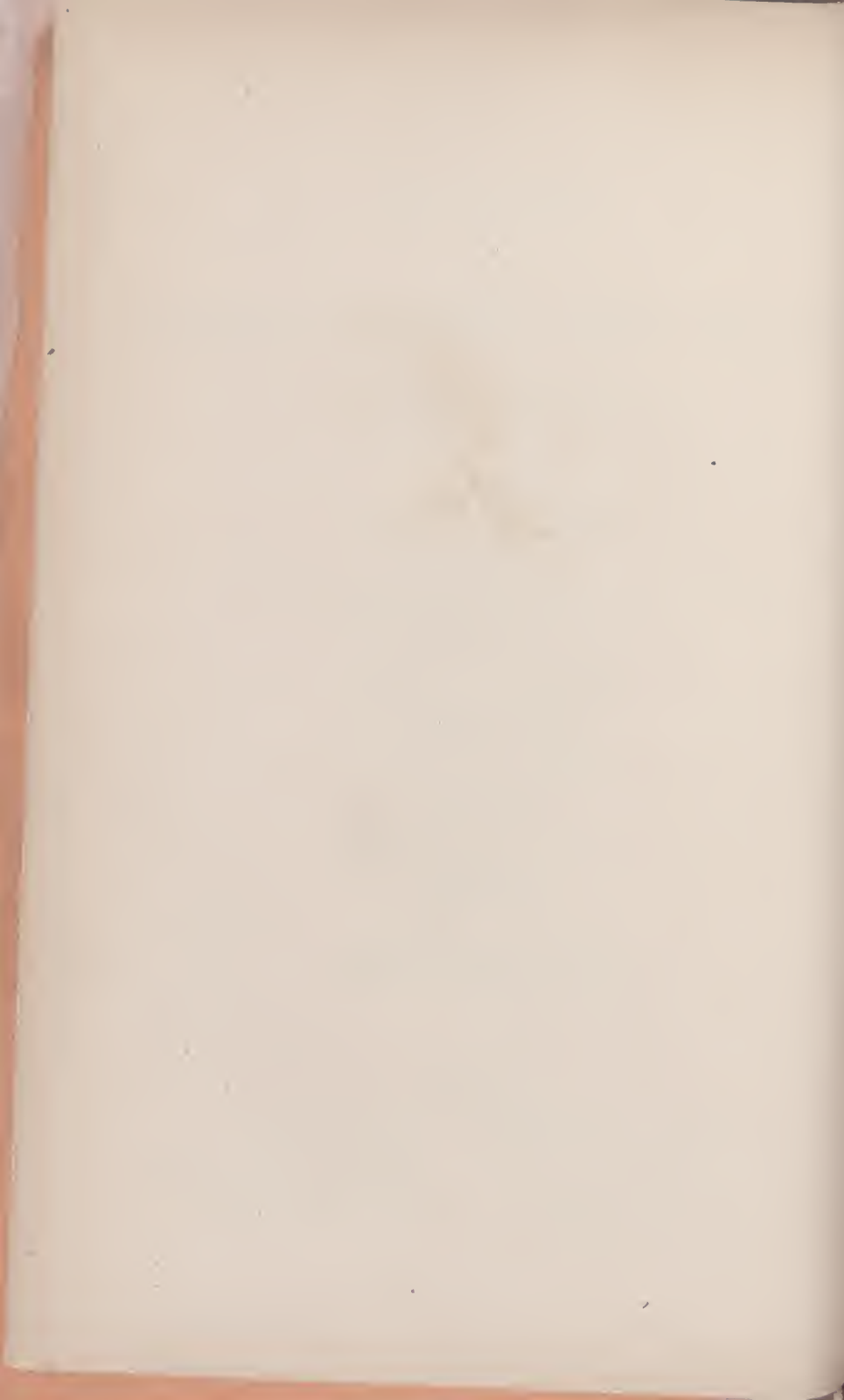
SECRETARY,
JOHN R. FANSHAW.

GENERAL SUPERINTENDENT,
H. STANLEY GOODWIN.

DIRECTORS:

CHARLES HARTSHORNE,
WILLIAM L. CONYNGHAM,
ARIO PARDEE,
WILLIAM A. INGHAM,
GEORGE B. MARKLE,
ROBERT H. SAYRE,

JAMES I. BLAKSLEE,
JOHN R. FELL,
ROBERT A. LAMBERTON,
JOHN B. GARRETT,
CHARLES O. SKEER,
WILLIAM BROCKIE.



ANNUAL REPORT

OF THE

Lehigh Valley Railroad Company.

JANUARY 10th, 1888.

The total coal tonnage for the fiscal year ending November 30th, 1887, was as follows:—

Anthracite	6,824,321 tons.
Bituminous	59,636 tons.
Total	6,883,957 tons.

The coal tonnage for the past five years was:—

For 1883	6,592,646 tons.
" 1884	6,068,967 tons.
" 1885	6,312,430 tons.
" 1886	6,701,736 tons.
" 1887, as above	6,883,957 tons.

exceeding the tonnage of any previous year, notwithstanding the fact that a strike of the miners existed for about three months in our Lehigh and Mahanoy regions.

Our income from all sources, including interest received from investments &c., amounted to	\$11,197,167 72
Operating expenses of the road	6,142,396 25
Leaving	<u>\$5,054,771 47</u>

Against which there has been charged:—

Interest on bonds (including interest on guaranteed bonds and stocks).	\$2,041,171 50
DIVIDENDS:—On preferred and common stocks	1,584,081 11
General expenses, interest on floating debt, Pennsylvania and New Jersey State taxes, loss on Morris Canal, estimated depreciations, &c.	<u>1,018,747 31</u>
	4,643,999 92
Leaving	<u>\$410,771 55</u>

to be carried to the credit of the Profit and Loss account, to which is to be added \$114,700 premium realized from the sale of bonds.

Our capital account at the close of the fiscal year stood as follows:—

Preferred stock	\$106,300
Common stock (including scrip not yet converted)	<u>33,128,700</u>
	\$33,235,000
First mortgage, six per cent. bonds, due in 1898 (coupon and registered)	5,000,000
Second mortgage, seven per cent. bonds, due in 1910 (registered).	6,000,000
Consolidated mortgage, six per cent. bonds, due, except sterling and annuity bonds, in 1923:—	
Sterling	\$3,117,000
Coupon	1,775,000
Registered	8,122,000
Annuity	<u>1,243,000</u>
Floating debt, less cash on hand	none
	<u>14,257,000</u>
	<u>\$58,492,000</u>

Two hundred and thirteen of the sterling bonds were drawn, payable December 1st, 1887, leaving \$2,904,000, bearing interest from that date.

During the past year long-pending litigation with the Central Railroad Company of New Jersey has been ended by an amicable settlement, which establishes our title to the valuable property in

Jersey City known as the West Line tract, under which we have duly entered into possession. The Morris Canal basin, which adjoins this tract, is thus made more available in connection with rail and water transportation, and we have already begun the construction of important terminal facilities for the delivery and interchange of traffic at this point.

In order to reduce the distance by our line between the Delaware River and Jersey City, and to carry traffic a larger part of the distance on our own rails, we have promoted the construction of a new line, under the charter of the Roselle and South Plainfield Railway Company, the capital stock of which is controlled by this Company. The distance between South Plainfield on the Easton and Amboy Railroad to Roselle on the Central Railroad of New Jersey, is about ten miles, from which latter point to Jersey City (fourteen miles distant) access will be had under a traffic contract with the Central Company. The construction of this road of double track has been begun, and is under contract to be ready for the rails by March 1st next.

Parties largely interested in this Company have also become interested in the Central Railroad Company of New Jersey, and in its management, making the relations of the two more intimate and promoting a harmony in the policy of both that should result in mutual benefit.

The branch between New Boston and Hazleton, referred to in our last report, was completed early in the spring of 1887; and in connection therewith a branch road was built between Highland and the village of Sandy Run, on the Nescopeck Branch of the Lehigh and Susquehanna Railroad.

The opening of these lines gives us direct connections between Pottsville and Wilkesbarre, using a part of the Pennsylvania Schuylkill Valley Railroad, and a part of the Lehigh and Susquehanna Branch, and shortens the run of our trains between Hazleton and Wilkesbarre about fifteen miles, as compared with the former route via Penn Haven.

A new line has also been constructed during the year, under the auspices of the Pennsylvania Railroad Company, between Shenandoah and Frackville, by which Shenandoah and points west thereof on our line are brought into closer connection with Pottsville and

the Schuylkill Valley. This new road is operated by this Company, under an arrangement with the Pennsylvania Railroad Company, our trains running without transfer from Shamokin and Ashland to Pottsville, via Shenandoah.

A new line upon the Wilkesbarre Mountain, connecting our main line, near Glen Summit, with the Pleasant Valley Branch, near Pittston, has also been placed under contract, and is progressing rapidly. This will provide an alternate line for through traffic, with greatly reduced grades, six miles shorter than the present line via Wilkesbarre, and will materially lessen the cost of transportation. This improvement has been long contemplated, having been foreshadowed in our annual report to stockholders for 1880, and was not begun until the growth of business made it essentially important.

The Wilkesbarre and Harvey's Lake Railroad, 12 miles in length, has been constructed with capital supplied by this Company, and was opened for traffic as a branch of the Pennsylvania and New York Railroad in July last.

A new steel steamer, of the most improved construction, with a carrying capacity of about 2500 tons, has been contracted for, as an addition to our fleet of steamers running between Buffalo and the upper lake ports as an auxiliary to our rail lines. This boat, upon which work is already far advanced, will be launched in February, and be ready for service at the opening of lake navigation in the spring.

To provide in part for these several extensions we have sold during the year \$1,200,000 of the mortgage bonds of the Easton and Amboy Railroad Company, received from that company for expenditures made on its account. Further provision for outlay, which should properly be capitalized, will be necessary during the present year.

To meet the greatly increased amount of work and responsibility in the conduct of the business of this and its affiliated companies, the office of Third Vice-President was created, and Mr. John B. Garrett, one of the Board and formerly Auditor of our Companies, was elected to fill the position.

Mr. Joseph Patterson, a Director of the Company, died in September last. Mr. Patterson's great ability as a business man and financier was widely recognized, and his participation in the counsels of this Company was highly esteemed. As a token of

regard, and in appreciation of his valued services, the Directors, at their October meeting, directed the following to be entered upon their minutes:—

The Directors of the Lehigh Valley Railroad Company miss to-day their friend and associate Joseph Patterson. Since our last meeting he has entered into rest.

For many years at this Board and in Committee his place, now vacant, was regularly and faithfully filled. He brought to the performance of his duties in this Direction a business ability, eminent by intelligence, sagacity, and large experience, dignified by a pure and upright life, and attractive by unfailing geniality and courtesy. The death of this distinguished citizen is a loss to this Company; to us personally; to the trusts, charities, associations, and enterprises with which he was identified; to the community in which he was a leader; and to our country, of a wise patriot.

To the family of which he was the honored and beloved head, and where his absence will be most sorely felt, we direct that a copy of this minute and the following resolution be sent:—

Resolved, That the Directors of the Lehigh Valley Railroad Company, grieved by the death of their colleague and friend, Joseph Patterson, sympathize with them in their sorrow, and with them mourn the loss of him who, in all his relations in life, was always the highest type of manhood—the wise, Christian gentleman.

Mr. William Brockie was elected a Director to succeed Mr. Joseph Patterson.

No other changes in the Board or the executive officers of the Company have occurred during the past year.

For further information and details attention is called to the reports of the General Superintendent of this Company, of the President and of the General Superintendent of the Pennsylvania and New York Canal and Railroad Company, and of the General Superintendent of the Lehigh Valley Coal Company, herewith published.

By order of the Board.

E. P. WILBUR,
President.

JANUARY 17th, 1888.

It is with sorrow that I announce the death, since the adoption of the foregoing report, of Mr. FREDERIC MERCUR, General Superintendent Lehigh Valley Coal Company, after a short illness, at his home, in Wilkesbarre, on the evening of January 11th, 1888.

His relations with the officers of this Company were so close, his services were so long and faithful, his manliness and integrity so pronounced, his ability so marked, and his knowledge of the operations of the Coal Company so great, that his loss seems almost irreparable.

E. P. WILBUR,
President.

ANNUAL REPORT
OF THE
GENERAL SUPERINTENDENT
OF THE
Lehigh Valley Railroad Company,
For the Fiscal Year ending November 30th, 1887.

BETHLEHEM, PA., November 30th, 1887.

E. P. Wilbur, Esq., President,

DEAR SIR:—The following report of the operation of the Lehigh Valley Railroad for the fiscal year ending November 30th, 1887, is respectfully submitted:—

The total amount of anthracite coal transported over the main line and branches for the year was $6,824,320\frac{12}{100}$ tons, an increase, compared with the previous year, of $167,846\frac{12}{100}$ tons, or $2\frac{52}{100}$ per cent.

The coal was derived from the following sources:—

REGIONS.	1886.	1887.	INCREASE AND DECREASE.
Wyoming	1,932,372.95	2,628,546.15	696,174.10 Inc.
Hazleton	2,392,614.09	1,840,179.15	552,434.14 Dec.
Beaver Meadow	805,692.17	751,345.12	54,347.05 Dec.
Mahanoy	1,525,794.09	1,602,773.02	76,978.13 Inc.
East Penn Junction		1,475.08	1,475.08 Inc.
Totals	6,656,474.00	6,824,320.12	167,846.12 Inc.

STATEMENT SHOWING AMOUNT OF COAL TRANSPORTED OVER LEHIGH VALLEY RAILROAD FOR YEAR ENDING NOVEMBER 30TH, 1887.

Compared with same time last year.

POINTS OF DELIVERY.	1886.	1887.	Per-centage of total.	Increase and Decrease.	Per-centage Inc. and Dec.
At Mauch Chunk	6,605.00	6,420.13	.094	181.07	2.791
Local above Mauch Chunk	37,264.18	26,725.05	.391	10,539.13	28.283
Local below Mauch Chunk	94,291.12	104,510.17	1.531	10,219.05	10.837
For Co. use above Mauch Chunk	124,839.18	140,345.00	2.057	15,505.02	12.420
For Co. use below Mauch Chunk	150,532.10	168,985.11	2.476	18,453.01	12.258
To Pa. & N. Y. Canal & R. R.	1,117,991.10	1,216,824.04	17.832	98,832.14	8.842
“ D. L. & W. R. R. at L. & B. Junc.	73,092.07	51,414.02	.753	21,678.05	29.658
“ Del. & Hud. Canal Co. at Wilkesbarre	231,505.12	447,376.06	6.557	215,870.14	93.246
“ Penna. R. R. at South Wilkesbarre		80.08	.001	80.08	100.
“ Penna. R. R. at Tomhicken	79,774.12	51,185.02	.750	28,589.10	35.838
“ Northern Central Ry.	36,679.11	20,818.13	.305	15,860.18	43.241
“ Penna. R. R. at New Boston Junc.		2,971.07	.043	2,971.07	100.
“ Lehigh Canal at Coalport		25,636.10	.375	25,636.10	100.
“ Lehigh Canal at Mauch Chunk	25,958.06	134.08	.002	25,823.18	99.482
“ C. R. R. of New Jersey at Packerton	348.12	3,131.00	.046	2,782.08	798.164
“ P. & R. R. R. at Slatington	63.11	44.00	.001	19.11	30.763
“ Ironton R. R.	3,224.08	4,407.11	.064	1,183.03	36.693
“ Catasauqua & Fogelsville R. R.	6,489.09	5,452.15	.079	1,036.14	15.975
“ P. & R. R. R. at East Penn. Junc.	191.17	175.09	.002	16.08	8.548
“ Perkiomen R. R.	133,610.02	28,253.15	.414	105,356.07	78.853
“ P. & R. R. R. at Bethlehem	104,274.01	178,888.11	2.621	74,614.10	71.505
“ Morris Canal	298,256.13	259,127.01	3.798	39,129.12	13.119
“ D. L. & W. R. R. at Phillipsburg	62,604.12	53,592.15	.785	9,011.17	14.395
“ Penna. R. R. at Phillipsburg	1,391,724.15	1,205,648.13	17.667	186,076.02	13.372
“ C. R. R. of N. J. at Phillipsburg	5,001.11	3,531.02	.052	1,470.09	29.401
“ New Jersey Div. of L. V. R. R.	1,870,973.08	1,965,806.07	28.805	94,832.19	5.068
“ Furnaces and Manufacturing Co.'s	801,175.05	852,833.07	12.499	51,658.02	6.447
Total	6,656,474.00	6,824,320.12	100.	167,846.12	2,522
Total Canal	25,958.06	25,770.18	.378	187.08	.722
Total Rail	6,630,515.14	6,798,549.14	99.622	168,034.00	2,534
Grand Total	6,656,474.00	6,824,320.12	100.	167,846.12	2,522

TONS OF ANTHRACITE COAL CARRIED ONE MILE.

REGION.	1886.	1887.	INCREASE AND Decrease.	PER- CENTAGE OF INC. AND Dec.
Wyoming	37,369,922.11	67,465,142.19	30,095,220.08	80.533
Hazleton	58,839,894.06	44,953,866.00	13,886,028.06	23.599
Beaver Meadow	18,127,179.17	17,084,801.14	1,042,378.03	5.750
Mahanoy	60,256,466.13	64,489,364.08	4,232,897.15	7.002
East Penn Junction . . .	. . . . .	*14,843.06	. . . . .	. . . .
Total above Mauch Chunk	174,593,463.07	193,993,175.01	19,399,711.14	11.111
“ below “	318,411,309.07	319,895,996.01	1,484,686.14	.466
Grand total	493,004,772.14	513,889,171.02	20,884,398.08	4.236

*Tons “One mile” for “East Penn Junction” region is included in “Total below Mauch Chunk.”

During the year the coal trade has been twice interrupted; first, by the strike of the coal handlers at Perth Amboy, which commenced on January 4th, 1887, and ended on February 21st.

The second time by a strike of the coal miners in Hazleton and Beaver Meadow regions and most of the Mahanoy region. This commenced on September 12th, 1887, and still continues.

The total amount of miscellaneous freight transported over the Main Line and branches during the year was $3,544,639\frac{34}{100}$ tons, an increase over the previous year of $503,622\frac{68}{100}$ tons, or 16.56 per cent.

The tons of miscellaneous freight carried one mile $253,564,921\frac{56}{100}$, an increase over the previous year of $52,694,362\frac{12}{100}$ tons, or 26.23 per cent.

The total number of passengers transported during the year was 3,116,215, an increase over the previous year of 451,981, or 16.96 per cent.

Passengers transported one mile 44,512,264, an increase over the previous year of 6,657,213, or 17.59 per cent.

The total road receipts and expenses for the year were as follows:—

FROM TRANSPORTATION OF	GROSS RECEIPTS.	EXPENSES	NET RECEIPTS.
Coal	\$6,165,411 29	\$3,431,609 83	\$2,733,801 46
Freight	2,430,761 13	1,902,595 93	528,165 20
Passenger, Express, and Mail	1,122,883 65	808,190 49	314,693 16
Totals	\$9,719,056 07	\$6,142,396 25	\$3,576,659 82

EQUIPMENT.

Our locomotive equipment has been increased during the year by ten engines, built at our own shops, as follows:—

At South Easton	2
At Weatherly	1
At Hazleton	4
At Delano	3

We have built at our shops 60 mine cars for Lehigh Valley Coal Company.

There were cast at our Hazleton foundry a total of 15,527 car wheels of all sizes and 30 locomotive tires.

Our equipment is now as follows:—

CLASSIFICATION.	ON LAST REPORT.	INCREASE.	DECREASE.	Nov. 30th, 1887.
Engines of all classes	329	10		339
Passenger cars	109	7		116
Chair cars (not before reported)				10
Parlor cars	2			2
Pay car	1			1
Baggage, express, and combination cars	62	3		65
Fruit cars	10			10
Dump cars	279			279
Gravel train flat cars	32	26		58
Dirt cars	60			60
Wreck and tool cars	43	3		46
Eight-wheeled caboose cars	40		4	36
Four-wheeled caboose cars	54	21		75
Eight-wheeled tunnel cars	1	1		2
Four-wheeled tunnel cars	150			150
Four-wheeled platform cars	11			11
Supply cars	23			23
Eight-wheeled water cars	4			4
Gravel train caboose cars	9			9
Four-wheeled lime cars	47	20		67
Eight-wheeled bark cars	50			50
“ stock cars	57			57
“ platform cars	432			432
“ gondola cars	1,845			1,845
Six-wheeled platform cars	100		8	92
Eight-wheeled house cars	3,760	550	50	4,260
“ coal cars				4,536
Four-wheeled coal cars				26,920
Coal cars, rated as four-wheeled	34,981	1,103	92	35,992

TRACK.

MILES OF STEEL TRACK.	ON LAST REPORT.	LAID AND RE-LAID THIS YEAR	TOTAL NOW IN USE.
On New Jersey Division	140.48	6.66	147.14
On Lehigh Division	153.84	2.19	156.03
On Wyoming Division	93.12	1.35	94.47
On Beaver Meadow Division	60.32	. . . . .	58.87
On Hazleton Division	72.05	. . . . .	70.07
On Mahanoy Division	100.17	. . . . .	96.77
On Pottsville Branch . . . . .	. . . . .	30.32	37.15
Totals	619.98	40.52	660.50
On P. & N. Y. R. R., Wilkesbarre to L. & B. Junction	33.41	1.73	35.14

There are now in use on all divisions :—

155.20 miles of single track.

187.06 miles of double track, equivalent to

374.12 miles of single track ; in addition to which there are

8.34 miles of second track laid, but used as sidings, and

313.21 miles of sidings.

Total . . 850.87 miles.

An increase from previous year of 20.72 miles.

The new line between New Boston Junction and Hazleton, which I mentioned in my last report as being under construction, has been completed and was opened for traffic on April 24th, 1887. This line is 14.26 miles in length, and is operated as part of the Pottsville Branch of the Mahanoy Division.

The Lehigh Luzerne Railroad has been extended from the Highland Colliery to Sandy Run Junction, a distance of 2.33 miles, where it connects with the Nescopeck Branch of the Central Railroad of New Jersey. We have also built a connecting line from this branch of the Central Railroad to our Main Line near White Haven, a distance of 0.1 of a mile, and by an agreement with the Central Railroad Co. of New Jersey, our passenger and freight trains between Hazleton and White Haven now run over a portion of the branch of their road, giving us a much shorter distance than

by our line via Penn Haven Junction. This new line was opened for traffic on May 23d, 1887, and is operated as part of the Highland Branch of the Hazleton Division.

Barber's Branch of the Lehigh Division, at Allentown, has been extended a distance of 1.10 miles.

The construction of Coal Pier "A," at Perth Amboy, was begun in February last, finished and put in service on September 1st.

Coal Pier "C" was put out of service on October 24th, and dismantling begun. Repairs necessary to prepare it for the transshipment of pig iron are progressing, and will be completed during the present winter.

Renewal of coal trestle at Newark was completed in August and put in full operation at that time.

BUILDINGS.

A new station building, comprising passenger waiting-room, freight house, and dwelling, has been erected, at South Plainfield.

A new freight storage-house, frame building, 43 x 175 feet, 18 feet high, has been completed on Freight Pier No. 1, at Perth Amboy, and is now in use.

A new oil-mixing house, to be built of iron and stone, at Perth Amboy, is well under way.

An extension to the Perth Amboy blacksmith shop, 45 x 16 feet, 17 feet high, to be used for the electric light plant to furnish light for the coal wharves, has been erected and is now ready for the machinery, which will be put in place at an early date.

A new horse-shoeing shop, iron house, paint and oil house, and lumber shed, all in connection with the car shop at Perth Amboy, have been erected complete.

Additions have been made to the freight houses at Allentown, Slatington, and Wilkesbarre.

New passenger stations have been erected at Audenried and Stockton, and new stations at Jeddo and Drifton are in process of construction, and will be completed about January 1st.

The car-repair shop, at Packerton, has been extended during the present year 247 feet.

A new engine house large enough to accommodate one engine has been built at Allentown.

The condition of the Relief Fund is as follows:—

Balance on hand November 30th, 1886	\$5,347 92
Contributed by employés during the year	5,341 35
Contributed by our Companies	5,341 35
Total	<u>\$16,030 62</u>
Disbursements during the year	13,464 43
Balance on hand November 30th, 1887	<u>\$2,566 19</u>

One call was made during the year, and the number of contributors was 3048.

The thanks of the Company are due to the Division Superintendents, the heads of the various departments, and to the employés of the Company generally, for their zeal and faithfulness in the discharge of the duties devolving upon them.

Respectfully submitted.

H. STANLEY GOODWIN,
General Superintendent.

